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BALTIMORE, MD., (UPI) -- PROSECUTING ATTORNEYS IN A FEDERAL SUIT AGAINST A SECRET AGENT ARGUED WEDNESDAY THE CENTRAL INTELLIGENCE AGENCY (CIA) IS HIDING INFORMATION NECESSARY FOR THE \$110,000 SUIT TO PROCEED.

THE ATTORNEYS FOR CANADIAN-BORN ERIK HEINE, 46, OF REXDALE, ONTARIO, SAID THE CIA HAS "EMPLOYED MACHIAVELLIAN CLEVERNESS" IN WITHHOLDING THE INFORMATION.

HEINE HAS FILED SUIT IN FEDERAL DISTRICT COURT HERE AGAINST SECRET AGENT JURI RAUS, 39, OF HYATTSVILLE, MD., ALLEGING RAUSE TRIED TO RUIN HIS REPUTATION AMONG ESTONIAN EMIGRES BY SPREADING THE WORD HE WAS A DOUBLE AGENT FOR THE SOVIETS.

JUDGE ROSZEL C. THOMSEN IS EXPECTED TO HEAR A MOTION FOR DISMISSAL ON THURSDAY BY THE DEFENDENT, WHOSE "COVER" WAS SERVING AS AN ENGINEER WITH THE U.S. BUREAU OF PUBLIC ROADS. THE CIA HAS ACKNOWLEDGED THAT RAUS IS ONE OF ITS AGENTS.

CIA DIRECTOR RICHARD HELMS, IN AN AFFIDAVIT FILED WITH THE COURT, SAID THE CIA SUPPLIED THE RUMOR MATERIAL AND ORDERED IT CIRCULATED "SO AS TO PROTECT THE INTEGRITY OF THE AGENCY'S FOREIGN INTELLIGENCE SOURCES."

HEINE CLAIMS SUCH INFORMATION HAS RUINED HIS REPUTATION AS A LECTURER ON ANTI-COMMUNISM AND THAT DOUBTS WERE THROWN ON HIS EXPLOITS AS A FIGHTER FOR A FREE ESTONIA.

RAUS CLAIMS HE IS IMMUNE FROM THE COURT ACTION BECAUSE HE WAS A FEDERAL EMPLOYEE ON DUTY. HE SAID THE CIA HAS STATUTORY POWERS TO WITHHOLD ANY INFORMATION IT DEEMS NECESSARY TO THE NATIONAL SAFETY.

A CIA OFFICIAL IS WITH RAUS AT ALL TIMES TO ADVISE HIM ON WHAT HE CAN AND CANNOT DIVULGE.